

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

SB 2155 - HB 2129

March 20, 2014

SUMMARY OF ORIGINAL BILL: Requires any premium increase or offer of new coverage in a policy of health insurance issued or renewed after this act to contain a good faith estimate as to the amount or percentage of any premium increase which is attributable to the Patient Protection and Affordable Care Act (PPACA). Authorizes the Commissioner of Commerce and Insurance to promulgate rules as necessary to carry out this act.

FISCAL IMPACT OF ORIGINAL BILL:

NOT SIGNIFICANT

IMPACT TO COMMERCE OF ORIGINAL BILL:

NOT SIGNIFICANT

SUMMARY OF AMENDMENT (014833): Deletes all language after the enacting clause. Requires an insurance entity, upon request by an insurance producer, individual, or entity authorized to sell, solicit or negotiate insurance on behalf of an insurance entity, to provide a good faith estimate as to the amount or percentage of any premium increase or tax increase which is attributable to a policy of health insurance issued or renewed after August 1, 2014 and offered through the Patient Protection and Affordable Care Act (PPACA). The estimate may be presented as a percentage, dollar amount or combination of the two. The estimate shall not require a policy form, rate filing or approval by the Commissioner of Commerce and Insurance.

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

Unchanged from the original fiscal note.

Assumptions for the bill as amended:

- Requiring health insurance companies, prior to increasing premiums, to provide a percentage increase attributable to the PPACA will not have a significant fiscal impact on state government.
- The bill will not significantly affect the operations of the Department of Commerce and Insurance. Any fiscal impact will be not significant.

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IMPACT TO COMMERCE WITH PROPOSED AMENDMENT:

Unchanged from the original fiscal note.

Assumption for the bill as amended:

- This will result in more work for health insurance companies in researching and providing this information; however, any increase in work is estimated to have no significant impact on commerce or jobs.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "Lucian D. Geise".

Lucian D. Geise, Executive Director

/jdb